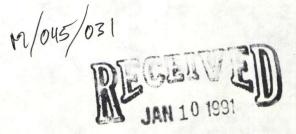
January 5, 1991

Mr. Lon Thomas 4040 South 300 West Murray, Utah, 84107



Subject: Operation Permits from BLM & State of Utah Dep. of Natural Res.

DIVISION OF OIL, GAS & MINING

Dear Mr. Thomas,

As we have repeatedly discussed, the BLM and State Division of Oil, Gas, and Mining, require mining operations plans and permits as a matter of course. You have for the past 31 months maintained that these people don't know what they are talking about and that you have the right to mine under "the grandfather clause" without any permits what so ever. When I informed you on December 28, 1990, of the results of my meetings with State and Federal officials, you seemed to have a change of heart. You agreed to meet, and it was my understanding, to cooperate in preparing a mining plan. Based on your assurances, I called the State on 12/31 and told them to hold off on any adverse action until we had a change to meet.

However, during our subsequent meeting of January 4, 1991, you stated repeatedly and emphatically that you did not need permits, and that you did not intend to assist or cooperate in obtaining the necessary State and Federal permits. I traveled to Utah on the assumption that, based on our telephone conferences, you had a change of heart, and were prepared to assist and cooperate in obtaining the permits. I believe you deliberately misled me in order to delay the matter even one more week.

As I have told you, it is my understanding under the grandfather clause, you have no right to destroy open lands not previously bulldozed¹. You are my tenant, occupying the property as a lessee only. The legal brush fire you started aside, the site is dangerous. What happens if some kid snow mobiles off one of your high walls?

When I met with State and Federal officials on the mine site December 27, 1990, your people were illegally operating under the high wall previously declared unsafe by Mine Safety and Health officials. Your people had dumped tons of good clean calcium carbonate rock into a waste pile, while high grading for the select white stone you use. Your people had recently changed the motor oil on your big rubber tired loader by dumping the oil right on the ground². Your forces had recently dumped another truck load of used tires on the private trash dump you operate at the mill site. I am convinced your actions are illegal. And if you proceed to "dig a big hole and bury all that junk," as you stated you intended to do, I am afraid we will both be in big trouble with the authorities.

<u>Please take 5 minutes</u> to re-examine your position in these matters. It is my understanding the State and Federal people do not intent to go away as you predict, and accordingly, I intent to apply for permits with a clause that no further mining be accomplished at the site until reclamation plans are approved and implemented.

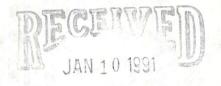
Rick W. White 9969 Beck Dr. Santee, Cal., 92071

Your actions on the patented claims this past summer, wherein you exploratory bulldozed about 25 acres, was nothing short of a rape of virgin land. What was accomplished? If you want to investigate, why not use a 2" drill? And your new high wall is as dangerous as the others you've created Your excavations East of the public road where it crests the foot hills are another example of your insensitivity and erroneous assumptions. You have no right to just go out and dig up rocks. The area is off my patented claims, and maybe off my placer claims. I am the one who will probably have to clean up your mess. You bulldozed dirt onto a native slope and into a seasonal creek. The area must be replanted to prevent soil erosion.

I warned you about this oil dumping business last summer when I observed you had dumped about 150 gallons of oil on the entry road. The whole site is spotted with these industrial dung heaps. As I explained, the law says we must clean it up.

January 5, 1991

Mr. Lon Thomas 4040 South 300 West



DOGM MINERALS PROGRAM FILE COPY

Subject: Operation Permits from BLM & State of Utah Dep. of Natural Res.

Dear Mr. Thomas.

Murray, Utah, 84107

As we have repeatedly discussed, the BLM and State Division of Oil, Gas, and Mining, require mining operations plans and permits as a matter of course. You have for the past 31 months maintained that these people don't know what they are talking about and that you have the right to mine under "the grandfather clause" without any permits what so ever. When I informed you on December 28, 1990, of the results of my meetings with State and Federal officials, you seemed to have a change of heart. You agreed to meet, and it was my understanding, to cooperate in preparing a mining plan. Based on your assurances, I called the State on 12/31 and told them to hold off on any adverse action until we had a change to meet.

However, during our subsequent meeting of January 4, 1991, you stated repeatedly and emphatically that you did not need permits, and that you did not intend to assist or cooperate in obtaining the necessary State and Federal permits. I traveled to Utah on the assumption that, based on our telephone conferences, you had a change of heart, and were prepared to assist and cooperate in obtaining the permits. I believe you deliberately misled me in order to delay the matter even one more week.

As I have told you, it is my understanding under the grandfather clause, you have no right to destroy open lands not previously bulldozed¹. You are my tenant, occupying the property as a lessee only. The legal brush fire you started aside, the site is dangerous. What happens if some kid snow mobiles off one of your high walls?

When I met with State and Federal officials on the mine site December 27, 1990, your people were illegally operating under the high wall previously declared unsafe by Mine Safety and Health officials. Your people had dumped tons of good clean calcium carbonate rock into a waste pile, while high grading for the select white stone you use. Your people had recently changed the motor oil on your big rubber tired loader by dumping the oil right on the ground². Your forces had recently dumped another truck load of used tires on the private trash dump you operate at the mill site. I am convinced your actions are illegal. And if you proceed to "dig a big hole and bury all that junk," as you stated you intended to do. I am afraid we will both be in big trouble with the authorities.

Please take 5 minutes to re-examine your position in these matters. It is my understanding the State and Federal people do not intent to go away as you predict, and accordingly, I intent to apply for permits with a clause that no further mining be accomplished at the site until reclamation plans are approved and implemented.

Rick W. White 9969 Beck Dr.

Santee, Cal., 92071

¹ Your actions on the patented claims this past summer, wherein you exploratory bulldozed about 25 acres, was nothing short of a rape of virgin land. What was accomplished? If you want to investigate, why not use a 2" drill? And your new high wall is as dangerous as the others you've created Your excavations East of the public road where it crests the foot hills are another example of your insensitivity and erroneous assumptions. You have no right to just go out and dig up rocks. The area is off my patented claims, and maybe off my placer claims. I am the one who will probably have to clean up your mess. You bulldozed dirt onto a native slope and into a seasonal creek. The area must be replanted to prevent soil erosion. ² I warned you about this oil dumping business last summer when I observed you had dumped about 150 gallons of oil on the entry road. The whole site is spotted with these industrial dung heaps. As I explained, the law says we must clean it up.